3.

Select Committee on the *Hudson's Bay Company*.

1857.

PAPERS.

PAPERS delivered in by Mr. *A. Isbister*,
5 March 1857.

9 *March* 1857.

[*Great inconvenience having arisen from the Publication of Minutes of Evidence taken before Committees, and of Papers, &c. laid before them, it is particularly requested that Members receiving such Minutes and Papers will be careful that they are confined to the object for which they are printed, the special use of the Members of such Committees.*]

0 25—(3).

3.

Select Committee on the *Hudson's Bay Company*.

1857.

PAPERS.

PAPERS delivered in by Mr. *A. Isbister*, 5 March 1857.

CORRESPONDENCE between Mr. *Abbott Lawrence* and Viscount *Palmerston*, respecting a Complaint alleging that the *Hudson's* Bay Company furnish large Quantities of Spirits to the Indians on the North-Western Frontier of the United States.

Appendix, No.

No. 1.

Mr. *Lawrence* to Viscount *Palmerston*.

United States' Legation,
My Lord, 138, Piccadilly, 12 February 1850.

REPRESENTATIONS have been made to the Government of the United States, from reliable sources, that the Hudson's Bay Company annually furnish to the Indians on the north-western frontier of the United States large quantities of spirituous liquor, endangering thereby the peace of the border, as well as corrupting the Indians themselves. It has been the policy of the United States to prevent, as much as possible, the use of spirituous liquors among the natives. The interests of Her Majesty's Government are believed to be identical with those of the United States in this respect. As complaints of this nature have been frequently made to the Government of the United States, and it has become satisfied that they are well founded, I have been instructed to make this practice the subject of a friendly remonstrance to Her Majesty's Government, and request it to co-operate with the Government of the United States in the repression of the evil, by issuing suitable instructions to the Hudson's Bay Company, or in such other manner as may best accomplish the desired result. I have the honour, therefore, to ask your Lordship to lay this remonstrance before the proper department of Her Majesty's Government, and to request its co-operation in a measure dictated by policy, as well as demanded by humanity.

I enclose a copy of a letter to the Secretary of State of the United States, accompanying my instructions on this subject, and

I have, &c.
(signed) *Abbott Lawrence.*

Enclosure in No. 1.

Mr. *Sibley* to Mr. *Clayton*.

House of Representatives,
Sir, Washington, 8 December 1849.

THERE exists on our north-western boundary a state of things which calls imperatively for the interference of the Government. I refer to the immense amount of spirituous liquor which is imported by the Hudson's Bay Company annually, not only for their trade in the British possessions, but which is furnished to the Indians who reside and hunt within the limits of the United States. That this evil exists to a very great extent, and renders null all the efforts of our Government to prevent the introduction of ardent spirits into the Indian country, is a fact which can be established by incontestable testimony, and has been already made the subject of memorials to the proper department. My object in making the communication which I have now the honour to address you is, to ascertain whether there would be any impropriety in having the matter brought to the notice of the British Government, in the shape of a friendly remonstrance from you to the Minister of that Power. I know of no other way to accomplish the proposed end, which is the repression of an evil of great magnitude, threatening the peace of our north-western frontier.

I have, &c.
(signed) *Henry W. Sibley.*

Appendix, No. 2.

No. 2.

Viscount *Palmerston* to Mr. *Lawrence*.

Sir, Foreign Office, 11 April 1850.

I DID not fail to refer to Her Majesty's Principal Secretary of State for the Colonies your letter of the 12th of February last, remonstrating against the practice alleged to be pursued by the Hudson's Bay Company, of furnishing annually to the Indians who reside and hunt within the limits of the United States, large quantities of spirituous liquors; and I have now the honour to transmit to you herewith a copy of a letter which Earl Grey has received from Sir John Pelly, the Governor of the Hudson's Bay Company.

In that letter, Sir John Pelly states that spirits are never given to the Indians by the Hudson's Bay Company in the way of trade, either on the frontiers or in any other part of the territories of the Company. Sir John Pelly states, however, that persons residing at Red River Settlement and at Pembina, within the American frontier, carry on an extensive and illicit traffic in furs with the Indians residing within the territories of the Hudson's Bay Company, and that great quantities of spirituous liquors are sold to the Indians in the course of that traffic; and Sir John Pelly adds, that although the Hudson's Bay Company employ all the means in their power to suppress this traffic, their efforts have been in a great measure defeated by the encouragement which it receives on the American side of the border.

I am, &c.
(signed) *Palmerston*.

Enclosure in No. 2.

Sir *John Pelly* to Earl *Grey*.

Hudson's Bay House, London,
My Lord, 9 March 1850.

I HAVE the honour to acknowledge the receipt of Mr. Under Secretary Hawes' letter of the 6th instant, accompanied by the copy of a letter from the office of the Secretary of State for Foreign Affairs, enclosing a remonstrance from the Government of the United States against the practice alleged to be pursued by the Hudson's Bay Company of furnishing large quantities of spirituous liquors to the Indians on the north-western frontier of those States. Mr. Hawes adds a request on the part of your Lordship that I would make a report to you on the allegations contained in those papers.

To the allegations contained in this remonstrance, and in the letter of Mr. Sibley, on which it appears to be founded, I have no hesitation in giving the most unqualified denial. Spirits are never given to the Indians by the Hudson's Bay Company in trade, either on the frontiers or in any other part of their territories.

The average quantity of spirits annually supplied to each of the frontier posts, according to the best information to which I have access at present, does not exceed twenty gallons. A small portion of this not very extravagant supply, rendered harmless by dilution, is given to the Indians as a "regale" when they bring the produce of their hunts to the station, in conformity with a custom of long standing, which it has been found impossible to discontinue without altogether abandoning the fur trade in a large district of country. Whether this can endanger the peace of the frontier, I leave your Lordship to judge.

Far be it from me, however, to say that spirits are not used, and that in large quantities, in trading with the Indians on the frontiers. The Hudson's Bay Company are well aware that an illicit traffic in furs is carried on to a great extent within the Company's territories by persons residing, some at Red River Settlement, and others at Pembina, within the American frontier; that the article chiefly used by those persons in this traffic is spirits, and that the furs so procured invariably find their way to the fur-traders at St. Peter's. This is the evil which endangers the peace of the frontier, if it be endangered, and which the Hudson's Bay Company are using every means in their power to suppress; but their efforts towards this end have been in a great measure neutralized by the encouragement given to it from the American side of the border.

The American Government, I am aware, has established stringent regulations against the use of spirits in the Indian trade, but it is a well-known fact that those regulations are evaded, and that spirits are even clandestinely introduced into the Company's territories by citizens of the United States. In a country situated as these frontier districts are it is not an easy matter to give effect to regulations or laws, to the breach of which there is so strong a temptation in the gain to which it leads; but I can confidently assure your Lordship of the readiness of the Hudson's Bay Company to use the most strenuous exertions to carry out any measures which Her Majesty's Government and the Government of the United States may agree upon as best adapted to repress the evil in question.

I am not sorry, my Lord, that this subject has been brought under your Lordship's notice, as it affords me an opportunity of correcting the erroneous statements which have been made in Parliament, and promulgated through the press, respecting the quantities of spirits imported into their territories by the Hudson's Bay Company.

Your

Appendix, No. .

Your Lordship will probably be surprised when I inform you that, from the year 1842 to 1849 inclusive, the average quantity annually imported by the Company into the whole of the territories under their control, to the east and west of the Rocky Mountains, is only 4,396¼ gallons; a quantity which, if distributed only to the men employed in the service in daily allowances, would amount to less than two table-spoonfuls to each man. It is to be observed, too, that out of the above-mentioned quantity the troops stationed at Red River Settlement in 1846, 1847, and 1848 (whose consumption in daily rations alone was upwards of 4,500 gallons) had to be supplied, and also the corps of pensioners who succeeded them. There cannot, therefore, have been much left for the demoralization of the natives.

I have, &c.
(signed) *J. N. Pelly.*